



PERFORMANCE PLAN

ENTERED INTO BETWEEN:

SETSOTO LOCAL MUNICIPALITY

AS REPRESENTED BY THE EXECUTIVE MAYOR

COUNCILLOR SEIPATI MBIWE
EXECUTIVE MAYOR
["THE EMPLOYER"]

And

MRS. NOMVULA MALATJIE
MUNICIPAL MANAGER
["THE EMPLOYEE"]

FOR THE FINANCIAL YEAR 01 JULY 2023-30 JUNE 2024

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1. Purpose

The Performance Plan defines the council's expectations of the Municipal Manager's Performance Agreement to which this document is attached and Section 57(5) of the Municipal Systems Act, 32 of 2000, which provides that performance objectives and targets must be based on the Key Performance Indicators as set in the municipality's Integrated Development Plan and as reviewed annually.

2. Key Responsibilities

The following predetermined objectives of the Setsoto Local Municipality will inform the Municipal Manager's performance against set performance indicators:

- 2.1. Supporting the delivery of municipal services to the right quality and standard
- 2.2. Creating a conducive environment for economic development
- 2.3. Building institutional resilience and administrative capability
- 2.4. Ensuring sound financial management and accounting
- 2.5. Promoting good governance, transparency and accountability
- 2.6. Putting people first and engaging with communities

3. Key Performance Areas

The following Key Performance Areas as outlined in the Back to Basic Principles inform the predetermined objectives listed above:

- 3.1 Basic Services
- 3.2 Local Economic Development
- 3.3 Institutional Capacity
- 3.4 Financial Management
- 3.5 Good Governance, Transparency and Accountability
- 3.6 Public Participation

4. Municipal Manager's Top-Layer Service Delivery and Budget Implementation Plan 2023/2024

Key Performance Area Predetermined Objective Number	Key Focus Area	Basic Services Supporting the delivery of municipal services to the right quality and standard							Evidence	
		Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Performance Targets					Weighting
					Quarter 1	Quarter 2	Quarter 3	Quarter 4		
MMBS001	Infrastructure and Sustainable Living Environments	Number of Climate Change Framework developed and approved by council for the Setsoto Local Municipality	New Indicator	1	N/A	Draft	N/A	1	10%	Climate Change Framework for the Setsoto Local Municipality developed and approved by council Quarter 2-Draft Climate Change Framework signed by the Municipal Manager and circulated for stakeholder comments Quarter 4-Climate Change Framework Response Plan for the Setsoto Local Municipality approved by council Council Resolution
MMBS002	Spatial planning development and human settlement	Number of Spatial Development Framework reviewed and approved by council by 30 June 2024	1	1	N/A	N/A	N/A	1	25%	Reviewed Spatial Development Framework Council Resolution
MMBS003	Spatial planning development and human settlement	Percentage of land use applications received and addressed by 30 June 2024	100%	100%	100%	100%	100%	100%	10%	Register of land use , Report Notification letters
MMBS004	Spatial planning development and human settlement	Number of sites issued for human settlement in Clocolan and Hlohlwane by 30 June 2024	0	384	N/A	N/A	N/A	384	15%	Reports on issuing of sites for human settlement
MMBS005	Spatial planning development and human settlement	Number of sites issued for human settlement in Ficksburg, Caledon Park and Meqheleng by 30 June 2024	0	3 000	N/A	N/A	N/A	3 000	15%	Reports on issuing of sites for human settlement

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Number	Key Focus Area	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Performance Targets				Weighting	Evidence
					Quarter 1	Quarter 2	Quarter 3	Quarter 4		
MIMBS006	Fleet Management	Number of tipper lorries procured	New KPI	4	N/A	N/A	N/A	4	5%	Procured tipper lorries
MIMBS007	Fleet Management	Number of refuse compactor trucks procured	New KPI	3	N/A	N/A	N/A	3	%	Procured refuse compactor truck
MIMBS008	Fleet Management	Number of Mahindra's procured	New KPI	7	N/A	N/A	N/A	7	5%	Procured Mahindra's
MIMBS009	Fleet Management	Number of lowbed procured	New KPI	1	N/A	N/A	N/A	1	5%	Procured lowbed
MIMBS009	Fleet Management	Number of TLBs procured	New KPI	4	N/A	N/A	N/A	4	5%	Procured TLBs
Total			5	5	1	1	1	5	100%	

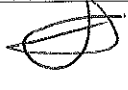
Local Economic Development											
Creating a conducive environment for local economic development											
Key Performance Area	Predetermined Objective	Key Focus Area	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Performance Targets				Weighting	Evidence
						Quarter 1	Quarter 2	Quarter 3	Quarter 4		
MIMLED001	Economic Growth and Spatial Transformation		Percentage compliance to turn-around time maintained to consider building plan applications quarterly	100%	100%	100%	100%	100%	20%	Percentage compliance to 30 working days turn-around time. In terms of the National Building Regulations and Building Standards Act, 103 of 1977, building plan applications exceeding 500m ² floor area-Date of application received versus date considered and signature by the Building Inspector	
MIMLED002	Economic Growth and Spatial Transformation		Average turn-around time maintained to consider land use applications quarterly	6 months	6 months	6 months	6 months	6 months	20%	Average of 6 months turn-around time to consider applications submitted in terms of Spatial Planning and Land Use Management Act, 16 of 2013	



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Number	Key Focus Area	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Performance Targets				Weighting	Evidence
					Quarter 1	Quarter 2	Quarter 3	Quarter 4		
MMLED003	Local Economic Development	Number of Local Economic Development Strategy developed approved and implemented by council by 30 June 2024	1	1	N/A	N/A	N/A	N/A	35%	Approved Local Economic Development Strategy Council Resolution
MMLED004	Local Economic Development	Number of socio-economic development opportunities identified and facilitated streamlining to Small Medium Macro Enterprises by 30 June 2024	5	5	1	1	2	1	15%	Small Medium Macro Enterprises Applications Reports of workshops and registers
MMLED005	Local Economic Development	Number of jobs created through municipality's local economic development initiatives and capital projects	284	300	129	150	200	300	10%	Report to Department of Labour approved by Mayoral Committee-Mayoral Committee-Resolution Extended Public Works Programme and any other jobs created, excluding Community Works Program Reports submitted into reporting cycle by 20 August 2023
Total			5	5	2	2	2	4	100%	

Key Performance Area Predetermined Objective Number	Key Focus Area	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Performance Targets				Weighting	Evidence
					Quarter 1	Quarter 2	Quarter 3	Quarter 4		
MMIC001	Training and Development	Percentage skills development levy against the municipal operating expenditure	0.08%	1%	1%	1%	1%	1%	40%	Workplace Skills Plan Report C-Schedule
MMIC002		Number of senior managers positions filled	3	5	3	4	N/A	5	35%	Advertisements Shortlisting Report Interview Report Appointments letters
MMIC003		Percentage of critical vacant posts filled within three months	0%	100%	100%	100%	100%	100%	35%	Advertisements and appointments letters
Total			3	3	3	3	3	3	100%	



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Key Performance Area		Financial Management									
Prediscovered Objective		Ensuring sound financial management and accounting									
Key Performance Number	Key Focus Area	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Performance Targets				Weighting	Evidence	
					Quarter 1	Quarter 2	Quarter 3	Quarter 4			
MMFM001	Financial Management	Annual Cost Coverage Ratio	New Indicator	2	0.5	1	1.5	2	10%	Available cash + Investment/Monthly fixed operating expenditure (Cash Expenditure)	
MMFM002	Financial Management	Annual Liquidity Ratio	New Indicator	1:5	N/A	N/A	N/A	1:5		Current Assets: Current Liabilities (as per the Statement of Financial Position) annually reported	
MMFM003	Financial Management	Unqualified with reduced matters of emphasis	Unqualified	Unqualified	N/A	N/A	Unqualified	N/A	15%	Level of performance=Unqualified audit opinion with reduced matters of emphasis	
MMFM005	Revenue Management	Annual percentage of outstanding service debtors to revenue	New Indicators	25%	25%	25%	25%	25%	10%	Total outstanding service debtors (Gross, excluding VAT)/revenue received for services calculated per annum (All consumer debtors included excluding developer contributions)	
MMFM006	Revenue Management	Percentage collection rate maintained annually	43%	75%	18.75%	37.50%	56.25%	75%	15%	Actual amount collected (cash)/amount billed for the period (per billing cycle-excluding any debt write-off)	
MMFM007	Revenue Management	Percentage household earning less than R 4 200.00 per month with access to basic service delivery	17.52%	21.39%	5.34%	10.69%	16.04%	21.39%	10%	Percentage number of households registered as formal indigent households who received the benefit of the free basic services	

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Number	Key Focus Area	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Performance Targets				Weighting	Evidence
					Quarter 1	Quarter 2	Quarter 3	Quarter 4		
MMFM008	Financial Management	The percentage of municipality's capital budget actually spent on projects, identified for a particular year in terms of the municipality's Integrated Development Plan 2023/2024	89%	100%	25%	50%	75%	100%	10%	Accumulated actual expenditure incurred on overall capital budget (All line items on capital budget)
MMFM009	Supply Chain Management	Percentage annual procurement spent awarded to youth owned enterprise	New Indicator	3%	N/A	N/A	N/A	3%	5%	Percentage calculated by dividing the total expenditure to youth suppliers by the total procurement expenditure x 100
MMFM010	Supply Chain Management	Percentage of annual procurement spent awarded to local economic	New Indicator	5%	N/A	N/A	N/A	5%	10%	Percentage calculated by dividing the total expenditure to township suppliers by the total procurement expenditure x 100
MMFM011	Assets, Equipment and Fleet Management	Percentage of repairs and maintenance budget against the operational budget	0.04%	4%	1%	2%	3%	4%	5%	Percentage calculated by dividing the total repairs and maintenance expenditure total operating expenditure for the period under review x 100
Total			11	11	7	7	7	11	100%	

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Key Performance Area		Good Governance, Transparency and Accountability									
Predetermined Objective		Promoting good governance, transparency and accountability									
Number	Key Focus Area	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Performance Targets				Weighting	Evidence	
					Quarter 1	Quarter 2	Quarter 3	Quarter 4			
MMGG001	Risk Management	Number of quarterly Strategic and Operational Risk Register Reports submitted to council	4	4	1	1	1	1	1	10%	Quarterly Reports submitted to council with an analysis from the Acting Chief Risk Officer and progress made on actions implemented within 30 days after the end of the quarter Council resolution
MMGG002	Risk Management	Number of Risk Management Policies developed and approved by council by 30 June 2024	1	1	N/A	N/A	N/A	1	1	15%	Approved Risk Management Policy Council Resolution Minutes of Risk Management Committee
MMGG003	Risk Management	Number of Risk Assessments conducted by 30 June 2024	1	1	N/A	N/A	N/A	1	1	10%	Strategic Risk Register and Operational Risk Register Assessment Report Attendance Registers Invitations Attendance Registers Minutes
MMGG003	Risk Management	Number of Risk Management Meetings held by 30 June 2024	4	4	1	1	1	1	1	10%	Approved Fraud Prevention Policy Council Resolution Invitations Minutes of Risk Management Committee meeting
MMGG004	Risk Management	Number of Fraud Prevention Policy developed and approved by council by 30 June 2024	1	1	N/A	N/A	N/A	N/A	1	10%	Approved Internal Audit Plan Invitations Minutes of Audit and Performance Audit Committee Meeting Attendance Registers
MMGG005	Internal Audit	Number of Internal Audit Plan developed and approved by Audit Committee by 31 August 2023	1	1	1	N/A	N/A	N/A	N/A		



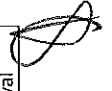
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Good Governance, Transparency and Accountability											
Promoting good governance, transparency and accountability											
Key Performance Area	Predetermined Objective	Key Focus Area	Key Performance Indicator	Annual Target	Quarterly Performance Targets				Weighting	Evidence	
					Quarter 1	Quarter 2	Quarter 3	Quarter 4			
MMGG006	Internal Audit	Internal Audit	Number of Audit Committee meetings held by 30 June 2023	4	1	1	1	1	15%	Invitations Attendance Registers Minutes	
MMGG007	Internal Audit	Internal Audit	Number of Audit and Performance Audit Committee Charter developed and approved by 31 August 2023	1	N/A	N/A	N/A	10%	Approved Audit and Performance Audit Committee Charter Council Resolution		
MMGG008	Internal Audit	Internal Audit	Number of reports on implementation of Internal Audit Plan issued by 30 June 2024	4	1	1	1	1	10%	Internal Audit Reports on implementation of the Approved Internal Audit Plan	
MMGG009	Internal Audit	Internal Audit	Number of reports issued on implementation of Internal Audit findings by management by 30 June 2024	4	1	1	1	1	5%	Internal Audit Tracking Registers Follow up report	
MMGG010	Internal Audit	Internal Audit	Number of Audit Action Plan developed to address Auditor General of South Africa Audit Findings on the Audit Report 2022/2023 and submitted to council for approval on or before 31 January 2024	2	N/A	1	N/A	N/A	5%	Audit Action Plan Management Report Audit Action Plan Council Resolution	
MMGG011	Internal Audit	Internal Audit	Number of reports issued on implementation of Auditor General of South Africa audit findings on the Audit Report 2022/2023 by management per month	4	N/A	1	3	10%	Audit Action Plan Internal Audit Follow Up Reports on Auditor General of South Africa Audit Action Plan		
Total				11	8	8	8	8	100%		

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Key Performance Area Predetermined Objective Number	Key Focus Area	Public Participation Putting people first and engaging with communities Key Performance Indicator						Evidence	
		Baseline Indicator	Annual Target	Quarterly Performance Targets					Weighting
				Quarter 1	Quarter 2	Quarter 3	Quarter 4		
MMPP001	Integrated Development Planning	Number of Integrated Development Review Process Plan 2023/2024 adopted by council by 31 August 2023	1	1	N/A	N/A	N/A	10%	Adopted Integrated Development Plan Review Process Plan 2023/2024 Council Resolution Invitations Minutes of the Public Participation Process
MMPP002	Integrated Development Planning	Number of reviewed Draft Integrated Development Plan 2024/2025 adopted by council by 31 March 2024	1	1	N/A	1	N/A	10%	Adopted Draft Integrated Development Plan 2024/2023 Council Resolutions Approved Integrated Development Plan Review Process Plan 2023/2024 Invitations Attendance registers Minutes of Various Meetings
MMPP003	Integrated Development Planning	Number of reviewed Integrated Development Plan 2024/2025 approved by council by 31 May 2024	1	1	N/A	N/A	1	10%	Approved Draft Integrated Development Plan 2024/2023 Council Resolutions Approved Integrated Development Plan Review Process Plan 2023/2024 Invitations Attendance registers Minutes of Various Meetings
MMPP004	Performance Management and Development Systems	Number of Service Delivery and Budget Implementation Plan 2024/2025 developed and submitted to the Executive Mayor for approval by 14 June 2024	1	1	N/A	N/A	1	10%	Draft Service Delivery and Budget Implementation Plan 2024/2025 submitted to the Executive Mayor for approval

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Key Performance Area		Public Participation										Evidence
Predetermined Objective		Key Performance Indicator	Annual Target	Quarterly Performance Targets				Weighting				
Number	Key Focus Area			Quarter 1	Quarter 2	Quarter 3	Quarter 4					
MIMPP005	Performance Management and Development Systems	Number of Performance Agreements for the financial year 2023/2024-with its Annexures, developed and signed between the Executive Mayor and the Municipal Manager by 30 July 2023	1	1	N/A	N/A	N/A	5%	Signed Performance Agreement Signed Performance Plan Signed Personal Development Plan			
MIMPP006	Performance Management and Development Systems	Number of Performance Agreements for the financial year 2023/2024-with its Annexures, developed and signed between the Municipal Manager and Senior Managers by 30 July 2023	4	4	N/A	1	N/A	5%	Signed Performance Agreement Signed Performance Plan Signed Personal Development Plan			
MIMPP007	Performance Management and Development Systems	Number of Performance Agreements for the financial year 2023/2024-with its Annexures, developed and signed between the Municipal Manager and Managers in the Office of the Municipal Manager by 30 July 2023	4	4	N/A	N/A	N/A	5%	Signed Performance Agreement Signed Performance Plan Signed Personal Development Plan			
MIMPP008	Reporting	Number of quarterly reports submitted to council within 30 days after the end of each quarter	4	1	1	1	1	10%	Quarterly Section 52(d) Reports submitted to council Council Resolution Portfolio of Evidence			
MIMPP009	Reporting	Number of Annual Performance Report 2022/2023 submitted to council by 31 July 2023 and to Auditor General of South Africa by the 31 August 2023	1	1	N/A	N/A	N/A	10%	Section 46 Report submitted to council Council Resolution			
MIMPP010	Reporting	Number of draft Annual Report 2022/2023 tabled to council by 31 January 2024	1	N/A	1	1	N/A	10%	Tabled Annual Report 2022/2023 Resolution			
MIMPP011	Public Participation	Number of quarterly community meetings on the progress report on the implementation of the integrated Development Plan 2023/2024, Budget 2023/2024 and Service Delivery and Budget Implementation Plan 2023/2024 within 30 day after the end of each quarter	New Indicator	24	8	8	8	5%	Public Notices Attendance Registers Minutes			

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Key Performance Area		Public Participation									
Predetermined Objective		Putting people first and engaging with communities									
Number	Key Focus Area	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Performance Targets				Weighting	Evidence	
					Quarter 1	Quarter 2	Quarter 3	Quarter 4			
MMPP012	Reporting	Number of Mid-Year Budget and Performance Assessment Reports tabled to council by the 31 January 2024	1	1	N/A	N/A	1	N/A	5%	Tabled Mid-Year Budget and Performance Assessment Report Council Resolution	
MMPP013	Performance Management and Development Systems	Number of formal appraisal sessions held with Senior Managers reporting directly to the Municipal Manager bi-annually	0	4	N/A	N/A	4	N/A	5%	Invitation Quarterly Performance Report Portfolio of Evidence Council Resolution	
Total			13	13	10	10	10	10	100%		

Thus, done and signed at Ficksburg on this 26 day of July 2023

AS WITNESSES:

1. [Signature]
 2. [Signature]

[Signature]
 NOMVULA MALAJJE
 MUNICIPAL MANAGER

[Signature]
 SEIPATI MBIWE
 EXECUTIVE MAYOR